

## **FISCAL NOTE**

TO: Chief Clerk of the Senate  
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: May 9, 1995

SUBJECT: **HB 361 - SB 957**

This bill, if enacted, will create the Tennessee Condominium Residents' Bill of Rights. Rules will be put into place ensuring the following:

- 1) All resident management committee meetings shall be open and all interested parties shall receive 10-day notice.
- 2) A certified public accountant shall make semi-annual audits of maintenance fee expenditures.
- 3) All residents shall be notified of adjustments greater than 10% in maintenance fees.
- 4) At least 50% of board members shall be residents.

If an individual, corporation, partnership or association violates this act, a court shall assess a civil penalty of \$1,000 for each violation which shall be paid to the general fund.

The fiscal impact from enactment of this bill is estimated to be an increase in state expenditures of approximately \$25,000 for one staff position and related expenses to carry out the provisions of the bill.

Enactment of this bill is also estimated to result in a increase in state revenues from the collection of penalties. However, such increase is estimated to be not significant.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director  
**HB 361 - SB 957**

